

Technical Assistance Paper #3

Sustainable Economic Development

Sustainability refers to actions that are self-perpetuating and not ultimately destructive to the community. In other words, sustainable actions don't take more than they put back. This notion is vitally important to community and economic developers whose success depends on long-term, ongoing activity. But more and more it also calls into question the purpose of development.

The Sustainability Triangle

Sustainability has been defined as the medium between the three points of a triangle: How do we live (tools), *where* do we live (environment & community), and *why* do we live (philosophy and values). Sustainability is not a static state, but the *relationship* or *integration* between these points. (Fig. 1)

In a society that is not sustainable, these three points draw increasingly further away from each other. Our tools degenerate into runaway technology. Our environments deteriorate. And our philosophies lose their meaning.

Community and economic developers also exist within this triangle, and can identify its points with our own terminology. Our tools are our *tactical focus* (industrial attraction, downtown revitalization, tourism, etc.) that identifies how we work. Our environments are the *communities* in which we work (cities, counties, regions, states etc.). And the philosophies underlying why we work are reflected by the *politics* (taxes, incentives, zoning, leadership, etc.) therein. Good community and economic development integrates these concepts into a sustainable whole. Without this integration, our tactics exaggerate into development at any cost. Our communities retract and resist change. And politics become indifferent, unstable, or gridlocked. (Fig 2)

The concept of sustainability is often associated with physical resources and environmental concerns. When applied to community and economic development, however, the resources are decidedly *human*.

Human Resources

The single characteristic defining the process of *rural* economic development is a reduced availability of human resources.

Larger communities most often have a number of individuals and organizations actively engaging in community and economic development. That *critical mass* enables them to be active in a number of tactical

approaches - not just simple jobs, but also small business development, entrepreneurs, tourism, downtown revitalization, skills development, housing, quality of life issues, and many, many more. They are more capable of addressing many issues important to sustainable development, and they are more likely to have available pools of the most precious of all human resources - money.

Small, rural communities, however, have no such luxury. In many cases, only a few volunteers are trying to address the complete range of community and economic development issues. Even small piles of money may be very difficult to come by, either for individuals, business, or government. The use of what does exist must be maximized. The trick for rural communities is addressing the right tactic, in the right place, at the right time. For rural economic developers, the process of sustainability involves the integration of *costs* versus *assets* versus *vision*. (Fig 3)

Vision

Every tactic an economic developer might engage in has a cost attached to it. The community has to draw from its own assets to pay that cost. Tactics that cost more than the community has to give are not sustainable - they either fail for lack of adequate funding, or fail because of the dissension they create. Conversely, communities can also fall into decline when they fail take advantage of the tools available. Some tactical approaches actually contribute to the asset base, building developmental capacity for the future. Other tactics take advantage of assets already present. In a rural setting, no one tactic is always correct, or always wrong. Tactics must be adaptable to changing situations, costs, and resources. This balancing act between costs and assets is central to community development process.

Actions to *develop at all costs* often damage the community at large for the benefit of a single piece of it. The decision to take such actions is usually made by a small, isolated group of individuals. At the exact opposite end of the spectrum, *resistance to change* rejects change or development of any kind. It may totally abandon the common good if even a single individual perceives them as threatened. Both extremes may claim to act for the good of the community, though neither reflects democratic principles in doing so. Both extremes favor of the interests of a select few.

When are the costs too great? When are the assets too few? Only the community itself can make that determination, and to do so there must be a balancing factor.

Vision provides that balance. Vision - roughly parallel to *felt needs* - is nothing more than a common identity. Vision reflects who the community is, and where it's going. It might be stated somewhere in a motto or a strategic plan, or it might be totally subliminal. Either way, it defines the community and is the key to its sustainability.

Vision provides a sense of worth, or *value*, that defines when economic development is beneficial or destructive. It provides the subjective measurement that determines the value - the *cost / benefit* of our work. It manifests itself most strongly in community leadership, providing direction and relevance - that is why leadership development is so often a process of visioning or setting goals. But of course, vision also requires the reality check that *costs* and *assets* provide.

A Sustainable Future

The notion of sustainability in economic development is of critical concern to rural areas, where human and financial resources may be fleeting. Without such resources, economic development efforts cannot address long term needs and conditions. Without long-term, on going programs, economic development generally has limited impact on the fundamental *health* of the community.

In many rural communities, the first role of the economic developer is to help the local effort to survive - to be *sustainable*, politically and financially. Carefully developing tactical approaches that match local assets, that are consistent with the vision of local leaders, or that instead *build* the assets and leadership available to a long-term effort, takes a big step in the direction of sustainability.

The Office of Rural Development exists to help create long term, sustainable economic development efforts in rural areas. For more information, contact the Office at 573.751.1208, or Internet: thackney@mail.state.mo.us

Bibliography

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